

Kentucky Energy Watch

Department for Energy Development and Independence

A snapshot of state and national energy issues



'Sit-in for the mountains'

Every Thursday there's a solitary vigil outside the governor's office. No shouts or slogans, no folk music or placards. Just a lonely protestor on a two-hour shift, followed by another, trying to draw attention to what they say is the harm caused by mountaintop removal coal mining practices. Angela Mitchell, 52, a retired 27-year state employee from Frankfort, sits with her computer and a small sign which reads "I love (in the shape of a heart) mountains." She hardly produces an image of a militant. She even made muffins and brought them for the governor's office staff. (The Independent Online, May 27, 2011)

GMS captures award for saving energy

Georgetown Middle School has a star — an Energy Star, that is. On Thursday, the school became the sixth in Scott County to be presented an Energy Star award. The designation is given to schools that have achieved energy efficiency in the top 25th percentile of the school buildings. The previous winners are Stamping Ground, Southern, Eastern and Garth elementaries and Royal Spring Middle School. GMS was built about 50 years ago. In 2009 it underwent a renovation to better insulate the windows, doors and lights. But Jim McClanahan, energy manager/assistant director of maintenance for the district, said there is more to earning the designation than just installing energy-efficient equipment. (News-Graphic, May 28, 2011)

Green Bank of Kentucky recognized nationally as leader in state ARRA-funded energy projects

The Green Bank of Kentucky program has been nationally recognized for its innovative use of American Recovery and Reinvestment Act of 2009 (ARRA) funding to finance energy-efficient improvements in state buildings, where the savings are guaranteed and used to repay the loan. State & Local Energy Report magazine ranked Green Bank of Kentucky third in a list of the Top 10 Most Exciting ARRA-Funded State Energy Projects. According to an official with the Finance and Administration Cabinet, to date, Green Bank has closed six loans, totaling \$8,251,959. (Business Lexington, May 26, 2011)

Local limestone used to clear air at Mercer's E. W. Brown power plant

Last week, Kentucky Utilities asked the state Public Service Commission for a rate hike that will increase customers' bills by 12.2 percent over the next four years. KU says it needs the additional revenue to pay for the \$2.5-billion in improvements to its coal-fired generating plants like the E.W. Brown facility near Burgin — improvements mandated by the federal Environmental Protection Agency in order to reduce harmful emissions. "The money has to come from somewhere," said KU spokesman Cliff Feltham. Thanks to a settlement reached with the EPA in 2009 after the federal agency found the Brown plant was in violation of the Clean Air Act, KU has already taken steps to significantly reduce the amount of sulphur dioxide — which causes acid rain, smog and other environmental hazards — coming from the massive smokestacks at Brown. (Central KY News, May 28, 2011)

Patriot Coal to conduct forestry field day

Patriot Coal Corporation (NYSE: PCX) today announced that it will conduct a Forestry Field Day on Friday, May 27, at Pennyrile Forest State Resort Park. The purpose of the field day is to educate engineers on tree planting and reforestation, which will aid future mine layout and design. The training will be conducted by Forest Management Service and will include classroom and field activities with an emphasis on reclamation planning and the use of trees and shrubs in stream restoration areas. The training day has been approved for professional development hours by the Kentucky Licensing Board for Professional Engineers and Land Surveyors. The Company intends to hold similar events in the future, and has the support of the Kentucky Department for Natural Resources for these activities. (PR Newswire, May 26, 2011)

Mitch McConnell accuses EPA of war on coal

Senate Minority Leader Mitch McConnell accused the U.S. Environmental Protection Agency Wednesday of declaring war on the coal industry and blamed Democrats for regulations that he said kill jobs and increase energy costs. In a speech to the Kentucky Coal Association, McConnell criticized the EPA for changing or reinterpreting long-standing regulations, which he said has threatened the future of some mines and left new projects in limbo. Attempts by the agency to regulate carbon dioxide emissions from coal plants amount to a "backdoor" energy tax, he said. "What the EPA is doing is outside the scope of its authority and the law, and it represents a fundamental departure from the permitting processes as originally envisioned by Congress," McConnell said. "And it's time for Congress to rein the EPA in." (The Courier-Journal, June 1, 2011)

Kentucky Retail Fuel Prices (Dollars per gallon)

Product	6/2/2011	5/26/2011	5/20/2011	5/13/2011	Year Ago
Gasoline (State avg.)	3.718	3.745	3.873	4.019	2.611
Ashland	3.824	3.868	3.967	4.037	2.717
Covington	3.85	3.825	3.931	4.151	2.637
Lexington	3.733	3.727	3.862	4.029	2.559
Louisville	3.839	3.844	3.973	4.13	3.951
Owensboro	3.667	3.748	3.832	3.945	2.578
Diesel (State avg.)	3.92	3.942	3.988	4.038	2.953
Ashland	3.966	4.025	4.045	4.046	2.986
Covington	3.943	3.954	3.995	4.046	3.003
Lexington	3.94	3.959	3.996	4.03	2.954
Louisville	3.951	3.966	4.009	4.049	2.956
Owensboro	3.941	3.944	3.997	4.042	2.936

Note: The record high average price for gasoline in Kentucky is \$4.089, reported on July 10, 2008.
 Source: Gasoline (unleaded regular) & Diesel: National AAA,

Wholesale Fuel Prices

Spot Prices	6/2/2011	5/26/2011	5/19/2011	5/12/2011	Year Ago
Crude Oil (Dollars per barrel) <i>West Texas Intermediate, job</i>	100.29	101.32	98.44	98.97	68.01
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	4.625	4.358	4.055	4.1	4.14

Source: Wall Street Journal

Futures		11-Jun	11-Jul	11-Aug
Crude Oil (Dollars per barrel) <i>Light Sweet Crude Oil</i>	6/2/2011	*	100.29	100.86
	5/26/2011	99.94	101.32	101.82
	5/19/2011	98.44	98.93	99.32
Natural Gas (Dollars per MMBtu) <i>Henry-Hub</i>	6/2/2011	*	4.629	4.667
	5/26/2011	4.379	4.423	4.469
	5/19/2011	4.094	4.161	4.214
Propane (Dollars per gallon) <i>Mt Behvieu (OPIS)</i>	6/2/2011	1.516	1.517	1.521
	5/26/2011	1.486	1.486	1.489
	5/19/2011	1.51	1.51	1.513
Coal (Dollars per ton) <i>Central Appalachian</i>	6/2/2011	*	76.5	77.05
	5/26/2011	74.88	75.65	76.15
	5/19/2011	75.82	75.53	75.86

Source: CME Group

* - Information Not Available



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